

**INDIANA PUBLIC ADJUSTER  
EXAMINATION CONTENT OUTLINE  
60 QUESTIONS TOTAL    REVISED 12.15.2006  
ONE HOUR TIME LIMIT**

**Legal References: IC 27-1-1 thru 3, 27-1-27-1 thru 11, 27-1-31-1 thru 3, 27-1-3-22, 27-1-31-2(a), 27-2-16-3(a), 27-4-1-1 thru 12, 27-7-6-4(d), 27-7-9-1 thru 18, 27-7-12-1 thru 9, 15 USC 1681 thru 1681d, 18 USC 1033 &1034, HR 3210 and Homeowners Policies (HO 2004) References to policy forms are to the ISO standard forms (except for the NFIP Flood policy).**

**I. INSURANCE REGULATIONS**

5 Questions

- A.    Licensing Regulations
  - 1. Qualifications
  - 2. Resident & Non-Resident
  - 3. Process
  - 4. Examination
  - 5. Fees
  - 6. Surety Bond
  - 7. Certificate of Authority & Expiration
- B.    License Renewal
  - 1. Change of Address
  - 2. *Sircon For States* system
- C.    Disciplinary Actions
  - 1. Cease and Desist order
  - 2. Violations
  - 3. Suspension and Revocation
  - 4. Penalties
- D.    Unfair Claim Settlement Practices
- E.    Unfair Trade Practices
- F.    Federal Regulation
  - 1. Fair Credit Reporting Act
  - 2. Fraud and False Statements  
(including 1033 Waiver)

## II. INSURANCE BASICS

17 Questions

- A. Contract Law
  - 1. Elements of contract
  - 2. Legal Interpretations
    - a. Ambiguities in a Contract of Adhesion
    - b. Reasonable Expectations
    - c. Utmost Good Faith
- B. Insurance Contract Basics
  - 1. Indemnity
  - 2. Representations, Misrepresentations & Concealment
  - 3. Warranties
  - 4. Fraud
  - 5. Waiver
  - 6. Estoppel
- C. Insurance Concepts
  - 1. Insurable Interest
  - 2. Risk
  - 3. Loss
  - 4. Property
  - 5. Casualty
  - 6. Two Party Contract
  - 7. Limit of Liability
  - 8. Named Insured
  - 9. Causes of Loss (Perils)
    - a. Basic
    - b. Broad
    - c. Special
  - 10. Named Peril versus Special (Open) Perils
  - 11. Indirect (consequential) Loss
  - 12. Blanket versus Specific Coverage
  - 13. Loss Valuation
    - a. Actual Cash Value
    - b. Replacement Cost
    - c. Functional Replacement Cost
    - d. Fair Market Value
    - e. Agreed Value
    - f. Stated Value
    - g. Valued contracts
- D. Policy Structure

1. Declarations
  2. Definitions
  3. Insuring Agreement
  4. Additional Coverage
  5. Conditions
  6. Exclusions
  7. Endorsements
- E. Common Policy Provisions
1. Insured – Named, First Named, Additional Insured(s)
  2. Policy Period
  3. Policy Territory
  4. Cancellation and Nonrenewal
  5. Deductibles
  6. Other Insurance
    - a. Nonconcurrency
    - b. Primary and Excess
    - c. Pro rata
  7. Policy Limits
  8. Restoration/Nonreduction of Limits
  9. Coinsurance
  10. Vacancy or Unoccupancy
  11. Assignment
  12. Liberalization
  13. Third Party Provisions
    - a. Mortgage Clause
    - b. Loss Payable Clause
    - c. No Benefit to Bailee
- F. Indiana Laws, Regulations and Provisions
1. Cancellation and Nonrenewal
  2. Concealment, Misrepresentation and Fraud
  3. Mine Subsidence Coverage
  4. Terrorism Risk Insurance Act of 2002

### III. ADJUSTING LOSSES

10 Questions

- A. Role of the Adjuster
  - 1. Duties and Responsibilities
  - 2. Public Adjuster versus Independent Adjuster
  - 3. Relationship to the Legal Profession
- B. Property Losses
  - 1. Insured's Duties Following a Loss
    - a. Notice
    - b. Minimizing Loss
    - c. Proof of Loss
    - d. Books and Records
    - e. Abandonment
  - 2. Determining Value and Loss
    - a. Burden of proof of loss and of value
    - b. Estimates
    - c. Depreciation
    - d. Salvage
  - 3. Claim Settlement Options
  - 4. Payment and Discharge
  - 5. Claims Adjustment Procedures
    - a. Dispute Resolution
      - Appraisal
      - Competitive Estimates
  - 6. Basic Types of Construction

### IV. DWELLING POLICIES

2 Questions

- A. Characteristics and Purpose
- B. Coverage Forms
  - 1. DP-1 Basic
  - 2. DP-2 Broad
  - 3. DP-3 Special
- C. Property Coverages
  - 1. Coverage A – Dwelling
  - 2. Coverage B – Other Structures
  - 3. Coverage C – Personal Property
  - 4. Coverage D – Fair Rental Value
  - 5. Coverage E – Additional Living Expenses

- D. Conditions
- E. Exclusions

## V. HOMEOWNERS POLICIES

13 Questions

- A. Coverage Forms
  - 1. HO-2
  - 2. HO-3
  - 3. HO-4
  - 4. HO-5
  - 5. HO-6
  - 6. HO-8
- B. Definitions
- C. Section I – Property Coverages
  - 1. Coverage A – Dwelling
  - 2. Coverage B – Other Structures
  - 3. Coverage C – Personal Property
  - 4. Coverage D – Loss of Use
- D. Perils Insured Against
- E. Conditions
- F. Exclusions
- G. Selected Endorsements
  - 1. Limited Fungi, Wet or Dry Rot, or Bacteria Coverage
  - 2. Earthquake
  - 3. Personal Property Replacement Cost
  - 4. Water Back-Up & Sump Pump failure

## VI. COMMERCIAL PACKAGE POLICY

4 Questions

- A. Components
  - 1. Common Policy Declarations
  - 2. Common Policy Conditions
  - 3. Interline Endorsements
  - 4. One or More Coverage Parts
- B. Commercial Property
  - 1. Property Conditions Form
  
  - 2. Coverage Forms
    - a. Building and Personal Property

- b. Business Income
    - c. Extra Expense
  - 3. Cause of Loss Forms
    - a. Basic
    - b. Broad
    - c. Special
- C. Commercial Inland Marine
  - 1. Nationwide Marine Definition
  - 2. Inland Marine Coverage Forms
    - a. Commercial Articles
    - b. Contractors Equipment
    - c. Installation
    - d. Valuable Papers and Records
- D. Boiler and Machinery
  - 1. Equipment Breakdown Protection Coverage Form
  - 2. Selected Endorsements
    - a. Business Income
    - b. Actual Cash Value
- E. Farm Coverage
  - 1. Farm Property Coverage Forms
    - a. Coverage A – Dwelling
    - b. Coverage B – Other Structures
    - c. Coverage C – Personal Property
    - d. Coverage D – Loss of Use
    - e. Coverage E – Scheduled Farm Personal Property
    - f. Coverage F – Unscheduled Farm Personal Property
    - g. Coverage G – Other Farm Structures
  - 2. Causes of Loss (Basic, Broad, and Special)
  - 3. Conditions
  - 4. Exclusions

**VII. BUSINESSOWNERS POLICY**

6 Questions

- A. Characteristics, Purpose, Eligibility
- B. Section I – Property
  - 1. Coverage
  - 2. Exclusions
  - 3. Limits of Insurance
  - 4. Deductibles
  - 5. Loss Conditions
  - 6. General Conditions
  - 7. Optional Coverages
  - 8. Definitions
- C. Selected Endorsements
  - 1. Protective Safeguards
  - 2. Utility Service – Direct Damage
  - 3. Utility Service – Time Element

**VIII. OTHER COVERAGES**

3 Questions

- A. National Flood Insurance Program (NFIP)
  - 1. Eligibility
  - 2. Coverage
  - 3. Deductibles
  - 4. Limits
- B. Boatowners Policy
  - 1. Coverages
  - 2. Policy Territory Limits

END REVISED 12.15.2006